Ministry of Employment and Investment

Annual Performance Report 2000-2001

June 2001

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Honourable Garde Gardom
Lieutenant-Governor
Province of British Columbia

May It Please Your Honour:

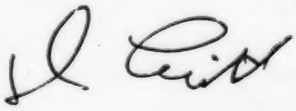
I am respectfully submitting the Annual Performance Report for the Ministry of Employment and Investment for the last full fiscal year of the previous administration ending March 31, 2001, fulfilling my obligation as the current minister responsible.

Rick Thorpe
Minister of Competition, Science and Enterprise

Honourable Rick Thorpe
Minister of Competition, Science and Enterprise
Province of British Columbia

Dear Minister:

I respectfully submit the annual performance report of the Ministry of Employment and Investment for the period of April 1, 2000, to March 31, 2001.



Donald Leitch
Deputy Minister
Ministry of Competition, Science and Enterprise

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Message from the Deputy Minister

The Ministry is the provincial government's lead agency for fostering job creation, investment and economic development in British Columbia.

The government recognizes the private sector is the primary generator of economic growth and new jobs. The ministry's role is to enable government to build an economic climate where British Columbia's companies can grow and create employment.

In 2000 – 2001, Ministry activities, programs and initiatives fostered growth in new and emerging sectors, strengthened traditional resource industries, expanded markets for B.C. goods and services around the world, supported development of critical infrastructure and helped preserve jobs at risk. Key accomplishments included:

- Attracting three new call centres to B.C. in Nanaimo, Penticton and Chilliwack.
- Working with the B.C. forest industry and the federal government to challenge the European Union's ban on green lumber imports from Canada.
- Delivering the 18th annual B.C. Export Awards program, providing a significant marketing boost to award-winning companies.
- Negotiating and launching the new Canada-B.C. Infrastructure program to invest more than $800 million in public infrastructure across B.C.
- Supporting the activities of the Job Protection Commission, which helped maintain 12,783 jobs in 2000.
- Contributing to more than 100 construction jobs and five new full-time positions with the Solex Power for Jobs Agreement.

I am pleased to report that the ministry made substantial progress towards attaining the objectives it set itself for fiscal year 2000/2001.

Introduction

The Ministry of Employment and Investment is the lead provincial agency for fostering job creation, investment and economic development in B.C.

The 2000-2001 Performance Plan challenged the Ministry to work with the private sector to:

- Diversify the provincial economy further through strategic investment and development in areas such as: aerospace, call centres, fuel-cell technology, film and new media, semiconductors, bio-medical industries, environmental industries, human genomics, ski resorts, alternate energy (e.g. ethanol) and small hydro projects.
- Strengthen the traditional resource industries — forestry, mining, oil and gas, fisheries — through support of value-added and manufacturing initiatives, eco-certification for wood products and export strategies for targeted products.
- Expand markets for B.C. goods and services around the world, with a focus on Asia, the Americas and Europe, through trade shows, trade missions and international agent offices.
- Support the development of critical economy-supporting infrastructure, such as a new Vancouver Convention and Exhibition Centre, and new power generation and gas transmission projects.
- Preserve jobs at risk and assist community stability.

It also called on the ministry to work with other levels of government to:

- Increase the number of business and investor immigrants to B.C.
- Promote and protect B.C. economic interests in internal and external trade agreements.
- Support the development of municipal and community infrastructure development.
- Position B.C. to take advantage of changing energy markets.

Finally, the 2000/01 Performance Plan looked inwards at the ministry and at the opportunities to improve its program effectiveness, administrative efficiency and equity hiring.

Year-at-a-Glance

The ministry was involved in numerous initiatives during the 2000/01 fiscal year. Here are the highlights and major accomplishments:

B.C. Trade and Investment Office:

- Attracted three new call centres to B.C. in this fiscal year. Excell Agent Services will create up to 500 new jobs in Penticton; RMH Teleservices will create up to 800 jobs in Nanaimo; and Stream International Inc., will create up to 700 jobs in Chilliwack.

- Supported the activities of the Job Protection Commission, which helped maintain 12,783 jobs in 2000.

- Co-ordinated 140 outgoing and incoming international missions, including the largest B.C. trade mission ever, which was led by the Premier as part of the Team Canada trade mission to China.

- Managed the business immigration program, which included providing pre-immigration marketing via 50 weekly seminars in Vancouver and counselling assistance for 500 prospective business immigrants, and provided post-immigration settlement services for 300 business immigrants.

- Co-ordinated the B.C. Export Awards program, providing a significant marketing boost to five award-winning companies.

- Initiated participation with the United Nations and World Bank to promote opportunities for the B.C. fuel-cell industry through fuel-cell bus demonstration projects in developing economies such as Brazil, China, Egypt, India and Mexico.

- Prepared and distributed profiles of B.C. sectoral and technological capacities in telecommunications, wireless technologies, marine products and environmental technologies, and updated profiles on the fuel-cell and biotechnology sectors.

- Disbursed a $17.5-million Industrial Incentive Fund (IIF) commercial loan to Conair Aviation Ltd. (now Cascade Aerospace), to finance the construction of a $53-million maintenance, repair and overhaul hangar at Abbotsford International Airport.

- Provided a $4.5-million IIF commercial loan to IVL Technologies Ltd. of Saanichton toward the $12-million cost of developing and manufacturing a variety of proprietary voice and music processing technology products.

- Facilitated a $250-million investment by the Listel Company of Japan in the Glacier Lodge at the Kicking Horse Ski Resort near Golden.

Economic Development Division:

- Participated in the development of the October 2000 Climate Change Business Plan.
- Implemented two new programs for electricity generation from renewable technologies and industrial energy efficiency and held a renewable energy workshop with participants from industry, government and non-governmental organizations.
- Completed a review of the Energy Efficiency Act and regulations to define opportunities for updating and improvement.
- Continued to manage 12 water use plans in a program aimed at rebalancing economic, social and environmental interests at B.C. Hydro facilities.
- Continued participation in electricity-related forums aimed at implementing mandatory reliability electric standards, trade, policy and multijurisdictional issue resolution.
- Co-ordinated the delivery of projects under the first two phases of the $825-million Canada-B.C. Infrastructure Works programs.
- Negotiated the new Canada-B.C. infrastructure program to invest more than $800 million in public infrastructure across B.C. over six years.
- Approved and announced six Canada-B.C. Western Economic Partnership agreements – new media ($8 million); fuel cells initiative ($13 million); and four Vancouver agreement projects ($830,000).
- Worked with the business task force on streamlining regulations pertaining to the construction industry.
- With the assistance of the B.C. forestry industry, pressed the federal government to assert Canada's World Trade Organization rights and challenge the European Union's ban on green lumber imports from Canada.
- Continued a public consultation process to determine B.C.'s interests and position in the ongoing Free Trade Area of the Americas and the proposed World Trade Organization millennium round by holding seminars on services trade issues and by posting numerous papers on the ministry's Web site.
- Encouraged the federal government to take steps to ensure Canada's water resource is beyond the reach of Canada's international trade obligations.
- Developed a statistical profile of B.C.'s construction industry, updated regularly and available on the ministry's Web site.
- Initiated discussion and analysis of a clean energy strategy for B.C.

Corporate Profile

Vision – A strong, dynamic and diversified provincial economy that provides increased economic opportunities, and generates wealth for British Columbians in all regions of the province.

Mission – To support the development of a strong, dynamic and diversified provincial economy, and to create jobs in all regions of the province through the promotion of investment and trade. The government recognizes the private sector as the primary creator of wealth and new jobs. The ministry's role is to assist business, investment and trade, and promote economic development and job creation throughout the province. Key components of a positive business and investment climate are modern and efficient infrastructure, skilled people, a competitive tax structure, and a good health care system.

Values – principles and beliefs – define the ministry's management style and govern the way it makes decisions. They guide ministry staff in interacting with each other, with the private sector and with the ministry's stakeholders.

- **The ministry promotes economic development provincewide**– Jobs and prosperity stem from economic activity. The ministry is committed to assisting individuals, businesses, and communities in creating jobs, economic opportunities, and wealth for the benefit of all British Columbians.

- **The ministry is professional and responsive to clients** – It is service-oriented and committed to the highest standards of professionalism. It always strives for greater program effectiveness and administrative efficiency.

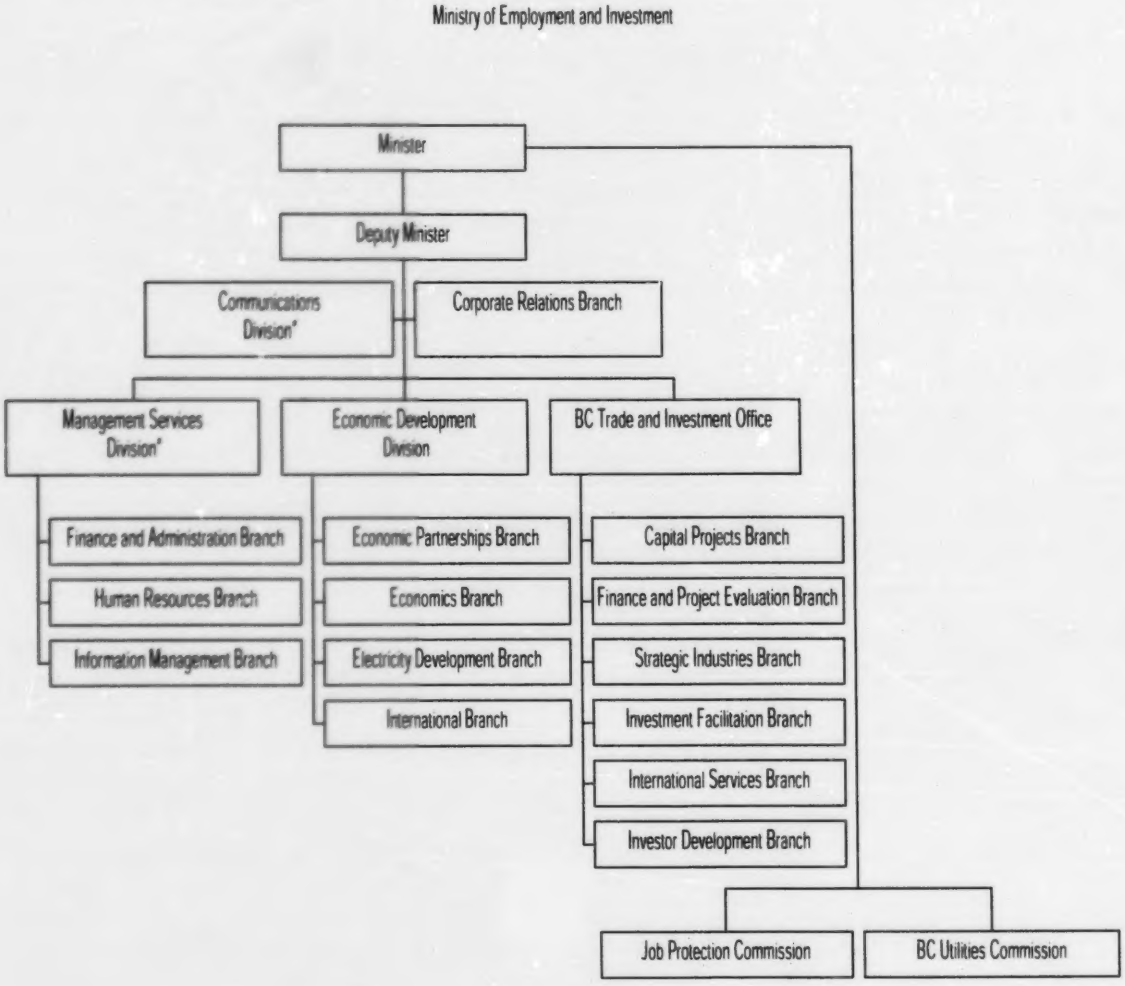
- **The ministry is open, approachable and flexible** – It believes in sharing information and is committed to open discussion with stakeholders. It is innovative and continuously endeavours to find new creative approaches.

- **The ministry is co-operative** – It supports a corporate, multi-agency approach to economic development. It is committed to establishing partnerships and building alliances with individuals, industry, other ministries and other governments to advance economic development objectives.

- **The ministry promotes employee equity and fair treatment, and encourages teamwork** – It strives for a work environment that respects the diversity, skills and the experience of others. It is sensitive to equitable hiring, training and promotion of employees. It believes in developing teams to address issues and to solve problems.

Organization Chart

During the 2000/2001 fiscal year, the Ministry of Employment and Investment had 205 actual full-time equivalents (FTEs), and two commissions reporting to the minister (see figure below).



* Also provides services to the Ministry of Energy and Mines, the Oil and Gas Commission, the Ministry of Community Development, Cooperatives and Volunteers, the CIDA Peru project and other entities.

Report on Resources

The ministry's budget for 2000/01 was approximately $37 million, with 205 staff (actual full-time equivalents). At fiscal year end, the ministry's actual expenditure was about $33.7 million, having underspent by approximately $3.3 million. (See table on next page.)

The variance is largely attributable to two areas: the B.C. Trade and Investment Office (BCTIO) underspent its budget by $1.6 million and the Build BC special fund underspent by approximately $1.1 million. The remaining $600,000 is split between corporate services and the reserve for doubtful accounts/concessionary loans.

BCTIO's variance is principally due to lower salary costs, as a number of staff took secondments with other ministries; less contract money spent on strategic initiatives, and lower demand from the Job Protection Commissioner to contract consulting services on the commission's behalf. The Build BC account is in the process of being wound up, and consequently it was allocated sufficient funds to ensure any outstanding project work could be paid out.

On the revenue side, the ministry budgeted $89 million from the sale of the Canadian entitlement to the Columbia River Treaty Downstream Benefits electrical power; however, revenues received were $543 million higher than forecast for 2000/01 at $632 million, due to the effect of high electricity prices in the United States. Average prices received for the sale of the entitlement reflected the unprecedented and totally unpredicted increase in electricity prices in short-term markets in the U.S., and as a result were 610 per cent higher than forecast at the beginning of fiscal year 2000/01.

Performance Measures/Target Analysis

This section reports on the Ministry's progress in achieving the targets it set for itself in fiscal year 2000/2001. The Ministry set itself three goals, and eight overriding corporate objectives in 2000/2001, for which targets were developed.

Ministry Goals and Objectives

Ministry Goals	Ministry Objectives
To promote strategic economic development	• increase private sector investment and diversify B.C.'s economy • support development of critical infrastructure • promote and expand alternative energy sources • reduce number of jobs at risk and preserve jobs that are at risk
To increase economic and social benefits from trade	• expand trade, particularly with Asia, the Americas and Europe • increase business immigration
To improve program effectiveness and administrative efficiency	• implement a new financial system - ORCA • achieve employment equity goals in hiring

The following pages contain eight tables, one for each objective. Each table contains four columns, of which the first three: **Strategies, Performance Indicator**, and **Target for 2000/01** appear in the Ministry's Performance Plan 2000/01:

- **Strategies** - describe the activities, actions, projects and initiatives the Ministry undertook to meet its targets and achieve its objectives.

- **Performance Indicator** - describes the qualitative or quantitative measure used in setting performance targets.

- **Target for 2000/01** - describes the qualitative or quantitative performance measure to be attained in 2000/01.

The last column, **Progress Toward Target**, details the Ministry's activities and accomplishments in striving to meet its pre-set targets, and hence achieving the Ministry's objectives.

Each of the eight tables below includes two further sections: **Baseline Information** describes historical trend data, past decisions and additional program information pertinent to the Ministry's efforts towards achieving its targets. **Contextual Information** is used to provide an explanation of results, and where appropriate, describe anticipated future decisions or actions for programs and projects.

Performance Measures/Target Analysis

Objective: Increase private sector investment and diversify B.C.'s economy

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target

• promote B.C. as a favourable investment location
• attract major investment in strategic sectors. (e.g. aerospace maintenance, ski hills)
• secure reinvestment in traditional sectors
  • access Power for Jobs and the Industrial Incentive Fund to facilitate major projects
  • develop new/emerging sectors (ethanol, fuel cell, citric acid plant, call centres, human genomics, new media)
• develop sector profiles and implement strategies in aerospace, new media, biomedical and environmental industries
• secure investment in fuel-cell manufacturing, aluminum and semiconductors
• develop viable fuel-cell R&D/ manufacturing capability
• lobby federal government to abolish GST in foreign trade zones
• initiate and implement a new Western Economic Partnership Agreement with the federal government, and develop provincial projects to be funded under this agreement
	• proportion of B.C. real GDP arising from non-resource sector, knowledge-based industries	• foster future investment in call centres, multi-media, fuel-cell manufacturing and semiconductors
		• Western Economic Partnership Agreement signed
		  • $20 million in projects launched
		  • balance of funding agreed
			• attracted three new call centres to B.C. – Excell Agent Services will create up to 500 new jobs in Penticton; RMH Teleservices will create up to 800 jobs in Nanaimo; Stream International Inc., will create up to 700 jobs in Chilliwack
			• facilitated $250-million investment by the Listel Co. of Japan in Glacier Lodge at the Kicking Horse Ski Resort near Golden
			• established Fuel Cells Canada, a national agency, head-quartered in B.C., for the promotion and demonstration of fuel-cell applications and infrastructure (e.g. provide funding for fuel cell and bus engine development)
			• established an alliance with B.C. Hydro, the International Trade Centre (ITC) Vancouver, the Greater Vancouver Economic Partnership (GVEP), and the Economic Development Assoc. of B.C., to develop projects to attract international investment to B.C.
			• partnered with Washington State to host the World Congress of International Development Research Council (IDRC), the world's leading organization of industrial site selectors, in Seattle in 2001
			
			Con't next page

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target
			• Canada and B.C. signed the Western Economic Partnership agreement, and agreed to funding of $24 million for a variety of projects (see below)

Baseline Information:

The signing of the Canada-B.C. Western Economic Partnership agreement was announced on May 12, 2000, whereby Canada and B.C. are each to contribute $20 million towards joint economic initiatives.

In fiscal 2000/01, the following initiatives were approved to receive joint federal-provincial funding under WEPA:

WEPA Project	Amount
• Fuel Cells – funding for demonstration projects to advance fuel-cell commercialization, including startup for Fuel Cells Canada	$13 million
• New Media Innovation Centre	$8 million
• Commercial-vehicle technology improvements at the Pacific Highway Border Crossing	$2.2 million
• Vancouver Agreement Projects – various economic development projects in the downtown eastside	$830,000
• B.C./Washington Corridor Task Force	$300,000
Total	$24.33 million

Contextual Information:

WEPA negotiations continue for the approval of additional projects between now and March 31, 2002. No project completion date will extend beyond Sept. 30, 2003, and no claim will be paid unless it is received by March 31, 2004.

Objective: Support development of critical infrastructure

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target
• promote and support development of infrastructure in transportation, telecommunications and energy • support the development of power infrastructure, including: Island cogeneration plant, Seven Mile Hydro expansion, Port Alberni cogeneration plant, and the second Vancouver Island and Southern Crossing natural gas pipelines • promote and support development of new economy infrastructure, including research facilities, clean rooms and incubation centres • promote and support research and development and training • promote development of the Vancouver Convention and Exhibition Centre • negotiate and initiate Infrastructure Works Program III	• implementation of new federal/provincial infrastructure works program	• agreement signed • initial projects announced and started	• Canada/B.C. Infrastructure Program agreement was signed on Oct. 10, 2000 • the program will invest more than $800 million ($268 million provincially) over six years, with all projects to be completed by March 31, 2006 • approximately 585 applications representing a total value of more than $2 billion were received by the end of March 2001. • applications are currently being screened and reviewed, funding recommendations are expected by early summer 2001, with some projects commencing shortly thereafter

Baseline Information:

The Canada/B.C. Infrastructure Program Agreement was signed and announced on Oct. 10, 2000, and is a three-way partnership between federal, provincial and local governments, each contributing up to one-third each of the total overall program funds.

There are four main objectives of the program: enhance the quality of B.C.'s environment; support long-term economic growth; improve community infrastructure; and build 21st century infrastructure through encouraging the use of best technologies, new approaches and best practices.

The main priority (minimum 75 per cent of the funding) of the program is green local government infrastructure projects such as water and wastewater systems, water management and capital expenditures to improve the energy efficiency of local government buildings and facilities. A maximum 25 per cent of the funding will invest in other infrastructure projects including cultural and recreational facilities, infrastructure supporting tourism, rural and remote telecommunications, high-speed Internet access for local public

institutions, local transportation and affordable housing. A minimum 16 per cent of the total approved costs must be invested in projects in rural communities.

In February 1994, B.C. signed the Canada-British Columbia Infrastructure Works Agreement (IWP1) to expend $675 million over three years on infrastructure projects. Canada, B.C. and local partners each contributed $225 million.

Eighty-five per cent of the program funding (about $575 million) was allocated to water, sewer and local transportation projects. Fifteen per cent of the program funding (about $100 million) was allocated for other physical infrastructure projects that enhance public services and provide significant economic benefits.

On April 18, 1997, Canada and B.C. signed an amendment (IWP2) to the original 1994 IWP agreement, to increase funding by Canada, B.C. and local partners by approximately $150 million. IWP2 focused primarily on transportation: local road, provincial roads, cycling networks and transit. In addition, community projects and telecommunication service to rural areas were also funded.

Throughout the 2000-2001 fiscal year, three projects under IWP1 and 21 projects under IWP2 remained active, with completion dates ranging up to March 31, 2001. Under IWP1, more than 9,000 short- and long-term jobs were created. IWP2 has resulted in more than 2,600 short- and long-term jobs.

Contextual Information:

The program guide and application kit was released in January 2001, with the first intake deadline of March 15, 2001. Applications will be accepted continuously throughout the life of the program. Approximately 585 applications representing a total value of more than $2 billion have been received to date far in excess of the $800 million budgeted for the program. All project applications are now undergoing basic screening to ensure applications meet the program criteria. Once applications have passed basic screening, they will proceed to technical review stage and will be ranked against other projects. Funding recommendations are expected by early summer 2001, with some projects commencing shortly thereafter.

Objective: Promote and expand alternative energy sources

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target
• position B.C. to take advantage of changing energy markets • develop new/emerging sectors (ethanol, fuel cell) • develop a clean energy strategy • implement green infrastructure component of the Infrastructure Works Program III • support green economy initiative (financial evaluations, energy initiatives)	• number and size of alternative energy projects confirmed	• two projects confirmed • one initiated • total of 20 MW of alternative energy to be produced	• Miller Creek project, 26 MW, near Pemberton, and Pingston Creek project, 30 MW, near Revelstoke are now in the early stages of construction • total capacity under construction is 56 MW • other projects are at various stages of Environmental Assessment Office or water licence review processes • launched renewable energy technology program • contributed, along with the federal government, $980,000 to establish Fuel Cells Canada.

Baseline Information:

In 2000/01 the ministry launched its renewable energy technology program. The program focuses on demonstration projects and on outreach/education in order to increase awareness about renewable and energy efficient technologies and their energy saving and emission reduction potential. Six companies were awarded first grants for demonstration projects in 2000/01, totalling $192,000. The ministry also initiated a review of the regulatory process for licensing small hydro projects with the aim of identifying ways to streamline and decrease "process" time. The initiative is a cross-ministry collaborative review. A renewable energy workshop was held to engage clean energy industry, the public and government agencies in identifying policy tools and actions that may be used to promote the development of new renewable electricity projects. Ongoing educational forums and activities continue.

Contextual Information:

Other alternative energy projects are currently going through various Environmental Assessment Office or water licence review processes.

Objective: Reduce the numbers of jobs at risk, and preserve those jobs that are at risk

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target
• save jobs in a large number of traditional industries with assistance of Job Protection Commission (JPC) • implement a strategy to sell Skeena Cellulose Inc. • determine B.C. impacts of airline restructuring and respond to identified risks • explore opportunities to support Tumbler Ridge, Northeast Coal/rail	• businesses and jobs saved by the Job Protection Commission	• reduction in the number of inquiries to Job Protection Commission • reduction in the number of files accepted by the Job Protection Commission	• during 2000, the JPC received 97 inquiries resulting in 45 projects/cases, which helped maintain 12,783 jobs, and save 1,595 jobs. Compared with 1999, enquiries were down by six and 11 fewer projects/cases were handled • Skeena Cellulose – continued with the $110 million Capex loan program and the provision of guarantees required to modernize the plant and operations; also continued the Credit Enhancement Emergency Fund (CEEF) loan guarantees to supplier companies in the Prince Rupert area dependent on Skeena Cellulose • Skeena maintained direct employment for 900 to 1,500 people at the pulp mill and the CEEF supported about 1,712 jobs at 205 supplier companies • Western Star Trucks – continuation of production of Western Star's plant in Kelowna maintained 1,200 jobs, which were threatened to be lost with the opening of a Western Star plant in South Carolina • MEI worked with various other ministries (On airports – Small Business, Tourism and Culture, Ministry of Transportation and Highways) (Tumbler Ridge – Community Development Cooperatives and Volunteers) to assess impacts and develop mitigation plans.

Baseline Information:

During calendar 1999, the Job Protection Commission received 103 enquiries. These resulted in 56 projects/cases, with which the Job Protection Commission helped maintain 7,466 jobs through 31 authorized economic plans, counselling services to 23 companies, and two special projects. This resulted in 4,008 jobs saved. The distinction between jobs saved and jobs maintained is that the jobs saved number only included companies for which a formal economic or mediation plan was developed, or which were part of a special funding project delivered by the Job Protection Commission. The jobs maintained number includes the jobs saved plus jobs in companies, which received counselling or business advice that resulted in jobs being maintained at those companies. Source: Job Protection Commission 1999 Annual Report.

Contextual Information:

As a result of the sale of Western Star Trucks to Freightliner Inc., the province earned $14.4 million on the $60-million investment it made in the company in May 1999.

Objective: Expand trade particularly with Asia, the Americas and Europe

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target

• participate in trade and investment missions (Canadian Tech. Week, Singapore; Foodex, Tokyo; AusTimber; CanAsia)
• sponsor trade missions — incoming and outgoing — involving 130 delegations next year, including:
  • first Japanese wine tour, April 2000 (eight days) — anchored by wine festivals
  • Farnborough Airshow
  • GLOBE 2000, Vancouver
  • Canadian Tech. Week, Singapore
  • Softworld
  • Premier's participation in Team Canada trade missions
  • missions to Asia, Europe, U.S. and Latin America
• manage international agent offices
• develop export strategies for targeted products (e.g. wood products to India)
	• increased exports of B.C. goods and services to offshore markets	• maintain share of exports	• B.C.'s share of Canada's total exports were 8.6 per cent in 2000, down from 8.7 per cent in 1999
			• the value of B.C.'s exports increased 13.2 per cent, in 2000 over 1999, the strongest growth since 1995
			• B.C. share of Canada's goods exports increased by $3.8 billion from $28.7 billion in 1999 to $32.5 billion in 2000
			• 74 agreements were signed by B.C. companies and institutions during the Team Canada trade mission to China
			• co-ordinated 140 outgoing and incoming international missions
			• agreement with federal government on provincial input into mutual recognition agreements (MRAs) promotion exports. (MRA with Japan in 2001 on Canadian wood products sold in Japan.)

Baseline Information:

B.C.'s share of Canada's total exports was as follows:

Year	B.C.'s Share of Canada's Exports*
1995	10.9 per cent
1996	9.9 per cent
1997	9.6 per cent
1998	8.7 per cent
1999	8.7 per cent
2000	8.6 per cent

Source: BC Stats. *excludes services

Contextual Information:

The value of B.C.'s exports increased 13.2 per cent from 1999 to 2000, however, B.C.'s share of Canada's exports declined marginally during the same period from 8.7 per cent to 8.6 per cent. The decline of B.C.'s share of Canada's exports over the past few years is largely attributable to B.C.'s smaller share of the United States export market relative to other provinces. Although B.C.'s exports, in absolute terms, have done well to recover some business lost due to the downturn in Asian economies, B.C.'s share of exports has declined as other provinces with bigger shares of the U.S. market have benefited from an expanding U.S. economy.

Objective: Increase business immigration to British Columbia

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target
• promote business immigration • develop business plan for participation under the new immigrant investor program	• maintain B.C.'s share of total business immigration to Canada	• B.C. to maintain 30 per cent of all business immigration to Canada	• in 2000, B.C. attracted 28.5 per cent of total entrepreneur immigrants to Canada, and 27.6 per cent of investor immigrants

Baseline Information:
Since 1995, B.C. has captured between 29 per cent and 35 per cent of the total Canadian intake of entrepreneurs, much higher than B.C.'s share of Canada's population, about 12 per cent.

Year	Canada's immigrant entrepreneurs to B.C. (%)	Canada's immigrant investors to B.C. (%)
1995	30.7	58.8
1996	35.5	55.8
1997	32.1	40.3
1998	29.0	35.3
1999	30.3	34.7
2000	28.5	27.6

Source: BC Stats, February 2001.

The 30-per-cent target applies to the business immigration program, which consists of immigrant entrepreneurs and immigrant investors. Immigrant entrepreneurs are business people who establish, buy or partner in an active business in B.C. He/she leads and manages the business, invests upwards of $100,000, hires at least one employee and makes a significant contribution to the province. Immigrant investors are passive investors who make a $400,000 investment for five years in the Canada Fund, a fund managed by others in Canada. The investor receives a landed immigrant visa in return. The money is returned after five years, usually without interest.

Contextual Information:
While B.C.'s share of immigrant entrepreneurs has been steady over the last few years, B.C.'s share of immigrant investors has declined. This is attributable to competition from Quebec's own investor program, which Quebec markets aggressively and is more competitive than the national Canada Fund. Budget pressures since 1996 have resulted in the reduction of B.C. business immigration missions from about ten per year to one or two per year, while other provinces such as Alberta, Ontario and Quebec have been much more aggressive (e.g. Ontario launched about 10 missions in 2000, compared to two by B.C.). Lack of B.C. profile in key immigration markets is being reflected in the declining market share.

Objective: Implement new financial management system – ORCA (Oracle Financials)

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target
• train staff in new financial system	• train 30 staff required to implement new system ministry-wide	• 30 staff trained	• 75 staff trained

Baseline Information:

ORCA, or Oracle Financials, is the software package chosen as the corporate government financial system.

The ministry adopted the ORCA system on April 1, 2000, and staff were involved in developing procedures, manuals and training, and conducting rigorous system testing.

Contextual Information:

The target of 30 staff trained was set for the Ministry of Employment and Investment; however, the Management Services Division provides financial and administrative support to three ministries: Employment and Investment (MEI), Energy and Mines (MEM), and Community Development, Cooperatives and Volunteers (CDCV). The number of staff trained from each of these ministries is 35 for MEI, 32 for MEM, and eight for CDCV.

Objective: Achieve employment equity goals in hiring

Strategies	Performance Indicator	Target for 2000/01	Progress Toward Target
• expand outreach recruitment for out-of-service opportunities to achieve employment equity objectives	• increase representation of under-represented groups	• give preference to designated groups in 100 per cent of auxiliary hires	• the ministry saw a 1.8-per-cent increase, from 9.3 per cent to 11.1 per cent, in representation of people from visible minority communities, and an 8.1-per-cent increase in women at management levels in 2000

Baseline Information:

While data is unavailable regarding any changes in representation of aboriginal people and persons with disabilities, the ministry saw a 1.8-per-cent increase in representation of people from visible minority communities and an 8.1-per-cent increase in women at management levels in 2000.

Amongst auxiliary employees, of 18 hired in 2000, 11 were women and six were members of a visible minority community.

Contextual Information:

Employment equity goals are broader than simply increasing representation of under-represented groups. Other goals relate to improved service delivery to a diverse population; a more diverse applicant pool; increased rate for advancement for designated group members; increased management competencies in managing a diverse workforce; and a workplace supportive of diversity and free of discrimination.

Link to Government Priorities

The following table demonstrates the ministry's work towards the government's priorities during the 2000/2001 fiscal year.

Government Priority: Families and communities

Ministry Objective	Selected Ministry Achievements for 2000/01
• increase private sector investment and diversify B.C.'s economy	• attracted three new call centres, located in Penticton, Nanaimo and Chilliwack, creating up to 2,000 jobs • facilitated a $250-million investment in Kicking Horse Ski Resort near Golden • provided funding for Fuel Cells Canada, for the promotion and demonstration of fuel-cell applications • contributed to more than 100 construction jobs and five full-time jobs with the Solex Power for Jobs agreement.
• support development of critical infrastructure	• Canada/B.C. Infrastructure Program Agreement signed on Oct. 10, 2000 • program will invest more than $800 million over six years • 75 per cent of the funding is for local government infrastructure projects such as water and wastewater systems, water management and capital expenditures to improve the energy efficiency of local government buildings and facilities with the remainder being targeted at other community infrastructure needs.
• reduce the number of jobs at risk, and preserve those jobs that are at risk	• during 2000 the Job Protection Commissioner intervened to help maintain 12,783 jobs and save 1,595 jobs • loan program for Skeena Cellulose Inc. maintained direct employment of 900 to 1,500 jobs • continuation of the Credit Enhancement Emergency Fund loan guarantees to supplier companies to Skeena Cellulose supported about 1,712 jobs at 205 supplier companies • continuation of production at Western Star Trucks' plant in Kelowna maintained 1,200 jobs

Government Priority: Stronger economy for B.C.

Ministry Objective	Selected Ministry Achievements for 2000/01
• expand trade, particularly with Asia, the Americas and Europe	• the value of B.C.'s exports increased 13.2 per cent, or $3.8 billion from $28.7 billion in 1999, to $32.5 billion in 2000
• increase business immigration	• since 1995 B.C. has captured between 29 and 34 per cent of total Canadian intake of immigrant entrepreneurs, much higher than B.C.'s share of Canada's population, about 12 per cent

Government Priority: Environment

Ministry Objective	Selected Ministry Achievements for 2000/01
• increase the number of alternative energy projects in the green economy	• two small hydroelectric projects: Miller Creek, 26 MW, near Pemberton; and Pingston Creek, 20 MW, near Revelstoke, are in the early stages of construction • other projects are at various stages of Environmental Assessment Office and water license review processes • ministry launched renewable energy technology program, six companies were awarded grants for demonstration projects in 2000/01, totalling $192,000

Annual Performance Report Appendices

Appendix A
Glossary of Performance Planning and Reporting Terms

Annual performance report:	A ministry document, required by the *Budget Transparency and Accountability Act* (BTAA), to be tabled in the Legislature by June 30 every year. This report may contain information normally found in a traditional annual report, with the additional requirement that a ministry's performance in meeting its goals and targets is emphasized in the document. The document must link directly back to the ministry's performance plan. The annual performance report for 2000/01 will be the first iteration to replace the traditional annual report style.
Business area:	A set of key activities or programs or budget areas related to the purpose, role and mandate of the ministry. Most ministries will have three-to-five key business or program areas; larger ministries may have more.
Efficiency measure:	Measuring the relationship between the amount of input (usually dollars or employee-years) and the amount of output or outcome of an activity or program.
Environmental scan:	Summary information for critical thinking about, deciding on and preparing a future course of action. An environmental scan assesses the ministry's internal strengths, weaknesses, challenges and opportunities. The scan examines factors within the ministry that can positively or negatively affect its ability to accomplish its mission, goals and objectives. The scan also assesses external forces that significantly effect the ministry.
Full-time equivalent (FTE):	The equivalent of one person working 1,827 hours in one year.
Goal:	Goals are the long-term ends that the ministry (or a business or program area) wants to achieve in fulfilling its mandate and mission. Goals must be realistic and achievable.
Input measure:	A measure of the amount of resources (dollars and FTEs) used to undertake a function.
Mission:	The reason for the ministry's existence. The statement identifies what the ministry does, why it does it and for whom. It also reminds the public and other government entities of the unique purposes promoted and served by the ministry. The ministry's goals, objectives and strategies must be consistent with its mission statement.
Objectives:	Objectives are concise, realistic, results-oriented statements of what a ministry or program achieves in the short-term on the way to accomplishing its goals.

	Objectives must be stated in a way that clearly communicates what is to be achieved and measured or assessed, and by when.
Outcome measure:	Measuring the results and consequences or changes in conditions, behaviours or attitudes that indicate progress in achieving a program's or ministry's mission and goals. Outcomes may be immediate, ultimate or somewhere in-between.
Output measure:	A measure of the level of service provided by a program (i.e., what and how much came out of a program or service). The measurable unit can be a number, percentage or ratio.
Performance measure:	A performance measure (sometimes referred to as an indicator) can be used to indicate the degree of success a ministry has in achieving its goals and objectives. When a measure has a specific numeric value attached to one aspect of the performance under consideration, it is then typically referred to as a performance indicator.
Performance plan:	A plan that describes a ministry's purpose or mission, its direction or vision, its goals and objectives, the operational strategies it will use to achieve those objectives, and how it will know if it has been successful (i.e., through the use of performance measures and targets).
Performance target:	Targets express pre-set, quantifiable performance levels to be attained at a future date.
Program:	A set of activities with clearly defined, dedicated resources and measurable objectives that are coherent and consistent.
Result:	A consequence, issue or outcome of an action or series of actions. Often used synonymously with "outcome" and/or "output."
Strategic context:	The strategic context of a performance plan provides high-level information that describes where a ministry is now. It usually includes a ministry's vision, mission, values and environmental scan.
Strategic plan:	The high-level, government-wide corporate document that outlines the government's vision, mission, values and key priorities for the medium to long term.
Strategies:	Strategies are the actions that describe how objectives are to be achieved. Other terms used to describe strategies are programs, projects, initiatives and activities, among others.
Values:	The value statement expresses a ministry's core values or fundamental beliefs. Values define the ministry's management style, organizational values, and code of conduct for personal and organizational behaviour.
Vision:	A clear and compelling picture of a ministry's preferred future; where the ministry is going and where it wants to be. This vision must be sufficiently desirable and challenging to motivate and inspire ministry employees and influence decision-making.

Appendix B
List of Crowns, Agencies, Boards and Commissions

The following Crowns, agencies, boards and commissions reported to the Minister of Employment and Investment in the 2000/2001 fiscal year:

1. British Columbia Job Protection Commission — provides mediation services and assists parties involved in a business closure to work co-operatively to develop plans to solve the problems facing the business.

2. British Columbia Utilities Commission — an independent agency that regulates natural gas, electric, heating and propane utilities and ensures that the rates they charge are fair while maintaining a safe, reliable and viable utility industry.

3. British Columbia Enterprise Corp.

4. British Columbia Trade Development Corp.

5. British Columbia Investment Fund Management Ltd.

6. British Columbia Investment Fund Ltd.

7. British Columbia Immigrant Investment Fund Ltd.

8. Committee on Building British Columbia's Future

9. Expo 86 Corp.

10. Pacific Northwest Economic Region (PNWER)

11. Vancouver Trade and Convention Centre Authority

12. 552513 British Columbia Ltd. (Skeena)

13. 580440 BC Ltd. (Vancouver Trade and Convention Centre)

Appendix C
List of Legislation Administered by the Ministry

- *B.C. Enterprise Corporation Act*
- *Build B.C. Act* other than Part 4, in relation to the B.C. Transportation Financing Authority
- *Builders Lien Act*
- *Economic Development Electricity Rate Act*
- *Energy Efficiency Act*
- *Industrial Development Incentive Act*, other than in relation to the Small Business Incentive Program
- *Job Protection Act*
- *Ministry of Industry, Small Business Development Act*, other than in relation to small business and tourism
- *Ministry of International Business and Immigration Act*, except immigration provisions
- *Ministry of International Trade, Science and Investment Act*, insofar as it does not relate to the development of science and technology, and does not relate to aid in the development of communications systems for the people of B.C.
- *Natural Resource Community Fund Act*
- *Power for Jobs Development Act*
- *Special Enterprise Zone and Tax Relief Act*
- *Trade Development Corporation Act*, and,
- *Utilities Commission Act*.

Appendix D
List of Regional Offices/Contacts

Ministry of Employment and Investment Web site: www.gov.bc.ca/ei/

Communications Division

PO Box 9324, 8th floor, 1810 Blanshard St., Victoria, B.C. V8W 9N3
Phone: 250 952-0606; Fax: 250 952-0626
E-mail: Webmaster.MEI@gems6.gov.bc.ca

Human Resources Department

PO Box 9321, 1st floor, 1810 Blanshard St., Victoria, B.C. V8W 9N3
Phone: 250 952-0142; Fax: 250 952-0141

Economic Development Division

PO Box 9327, 4th floor, 1810 Blanshard St., Victoria B.C. V8W 9N3
Phone: 250 952-0696; Fax: 250 952-0137

B.C. Trade and Investment Office

Victoria

PO Box 9307, 7th floor, 1810 Blanshard St., Victoria B.C. V8W 9N3
Phone: 250 952-0632; Fax: 250 952-0637

Vancouver

730-999 Canada Place, Vancouver, B.C. V6C 3E1
Phone: 604 844-1900; Fax: 604 660-2457
E-mail: Trade.Invest@gems1.gov.bc.ca

International Offices/Trade and Investment Representatives

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United Kingdom

Paul King, Director
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Tokyo, Japan

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